

This page is a reference page used to track documents internally for the Division of Oil, Gas and Mining

Mine Permit Number 8/019/0059 Mine Name Leonard Murphy Mine  
Operator \_\_\_\_\_ Date Sent Oct 14 2015  
TO \_\_\_\_\_ FROM \_\_\_\_\_

☐ CONFIDENTIAL ☒ BOND CLOSURE ☐ LARGE MAPS ☐ EXPANDABLE  
☐ MULTIPUL DOCUMENT TRACKING SHEET ☐ NEW APPROVED NOI  
☐ AMENDMENT ☐ OTHER \_\_\_\_\_

Description YEAR-Record Number

☐ NOI ☐ Incoming ☒ Outgoing ☐ Internal ☐ Superceded  
Notice of File Closure and Release of Reclamation Surety  
2015 - 10/14/2015

☐ NOI ☐ Incoming ☐ Outgoing ☒ Internal ☐ Superceded  
Bond File 2015 - 10/14/2015

**CONFIDENTIAL**

☐ NOI ☐ Incoming ☐ Outgoing ☒ Internal ☐ Superceded  
Bond File 2015 - 10/14/2015

☐ NOI ☐ Incoming ☐ Outgoing ☐ Internal ☐ Superceded

☐ TEXT/ 81/2 X 11 MAP PAGES ☐ 11 X 17 MAPS ☐ LARGE MAP

COMMENTS: \_\_\_\_\_  
\_\_\_\_\_  
CC: \_\_\_\_\_





Gary R. Herbert  
Governor  
Gregory S. Bell  
Lieutenant Governor

**State of Utah**  
**DEPARTMENT OF NATURAL RESOURCES**  
**Division of Oil, Gas & Mining**

MICHAEL R. STYLER  
Executive Director

JOHN R. BAZA  
Division Director

Date November 9, 2011

**RECEIVED**  
**NOV 17 2011**

**DIV. OF OIL, GAS & MINING**

Zions Bank  
One South main Street  
Salt Lake City  
Utah 84133

Attention: JOHN SEAMAN, Branch Manager 801-844-7062  
john.seaman@zionsbank.com

Subject: Reclamation Surety, Certificate of Deposit for US Oil Sands (Utah) Inc.  
Leonard Murphy No. 1 Mine Site, S/019/059, Uintah County, Utah

Certificate of Deposit number \_\_\_\_\_; Principal Amount \$ 31,880.00 \_\_\_\_\_

This letter describes the mutually agreed upon instructions of the below signed parties to Zions Bank ("Bank"), regarding the control, redemption, and release of Bank's above-described certificate of deposit ("CD"), which is being used as a surety to guarantee the availability of reclamation funds for the Leonard Murphy No. 1 Mine site, Uintah County, Utah. It is the intention of the parties that the CD be utilized as surety to guarantee that \$31,880.00 in reclamation funds will be available to the State of Utah, Division of Oil, Gas & Mining ("Division") upon demand in the event that the operator(s) of the Mine Site are unable or unwilling to complete reclamation of the mine site in compliance with applicable state law and regulations.

**Ownership and Renewal:**

Ownership of the CD is retained by US Oil Sands (Utah) Inc., a Utah corporation, ("Owners"), but it is held by Bank for the benefit of the State of Utah, Division of Oil, Gas & Mining and is subject to the terms and conditions described in this agreement. The CD shall automatically renew indefinitely until either redeemed or released by the Director of the Division. The Division may request CD information

Superseded  
Operator provide  
CD to incorporate  
this CD. New CD#  
[redacted]



Page 2  
November 10, 2011  
Subject:

on an occasional basis. This letter grants approval by US Oil Sands (Utah) Inc. for the bank to provide CD information to the Division any time an inquiry is made via telephone, email, or letter.

**Redemption:**

The CD may only be redeemed (i.e., called on demand), pursuant to the written instruction or demand of the Director of the Utah Division of Oil, Gas & Mining to the Bank. Upon the instruction and demand of the Director, the full initial amount of the CD shall be transferred to the State of Utah, Division of Oil, Gas and Mining. Owners agree and irrevocably instruct Bank that neither the Owner(s), nor any other person claiming an ownership interest in the CD which is derived from the Owners, shall have the authority to prevent the Bank from carrying out the Director's instruction to redeem the CD. Upon redemption, any accrued interest in excess of the initial amount of the CD shall be transferred to Owners' control, or if Owners do not instruct the Bank, the accrued interest shall be reinvested in the CD. If a signature card is prepared, it shall be drafted consistent with the requirement that only the Director of the Division may redeem the CD.

**Release:**

The Bank shall release the CD only upon the written instruction of the Director of the Division to the Bank. Upon release, the terms and conditions of this agreement are no longer in effect, and the unconditioned control of the CD shall be returned to the Owners, or their legal successors-in-interest. In the event of Bank cancellation/termination of the Certificate of Deposit, the Division may transfer the certificate of deposit monies into a state managed cash account to assure or complete reclamation if the Operator does not replace the Certificate of Deposit within the ninety days of Bank cancellation/termination notice. If the Bank is under a forced cancellation/termination, the Bank agrees to transfer or release the CD funds to a state managed cash account at the Division's request.

**Accrued Interest:**

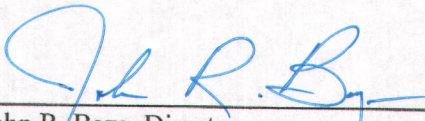


Page 3  
November 10, 2011  
Subject:

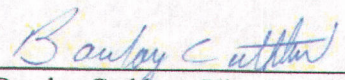
Prior to release or redemption, all interest which accrues by the CD shall be 1) dispersed quarterly to the Owner(s) as the Owner(s) may instruct the Bank, or 2) shall be reinvested in the CD until such time the Owner(s) may instruct the Bank where to transfer such interest. In no event shall the Bank transfer any amount from the CD which would cause the redemption amount of the CD to be less than the initial amount, \$31,880.00. All tax liabilities for accrued interest shall remain the sole responsibility of the Owners.

**Bank will not be held liable for any dispute between the parties.**

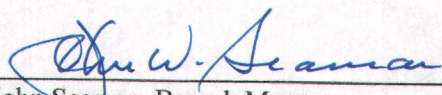
Agreed Upon By:

  
\_\_\_\_\_  
John R. Baza, Director  
Utah Division of Oil, Gas & Mining

Date: 11/22/2011

  
\_\_\_\_\_  
Barclay Cuthbert, Vice President  
US Oil Sands (Utah) Inc.  
Tax ID Number: 98-0463285

Date: 10 NOVEMBER 2011

  
\_\_\_\_\_  
John Seaman, Branch Manager  
Zions Bank

Date: 11/15/11



STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MININGMODIFICATION OF ATTACHMENT A  
TO THE  
RECLAMATION CONTRACTName of Operator: US Oil Sands (Utah) Inc.Permit Number: S/019/0059Mine Name: Leonard Murphy No. 1Phone Number: S/019/0059

Per the executed reclamation contract, the surety agreement for reclamation obligation is included as Attachment A to the reclamation contract as follows:

Check the boxes that apply to this form:

Surety: ☐ Decrease  
☒ Increase  
☐ Replacement

Reason: ☐ Amendment to NOI  
☐ Cancellation/ Termination of surety  
☐ Escalation  
☐ Partial Release of surety  
☒ Other

Explain: The operator authorized the interest in their cash account to be used for the bond. Interest earned was \$4,238.00, giving the cash bond a new total of \$36,338.00. Operator also has a CD in the amount of \$31,880.00

Surety Dollar Amount Associated With This Action: \$4,238.00Surety Aggregate Amount: \$68,218.00

Included in this modification (surety must be attached)

Instrument(s):

☐ Corporate Surety  
☐ LOC Letter of Credit  
☐ CD Certificate of deposit  
☒ Cash

☐ Rider  
☐ Amendment  
☐ Addendum  
☐ Other

Explain:

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APR 20 2012

DIV. OF OIL, GAS &amp; MINING

Other surety not affected by this modification will remain part of Attachment A and labeled as such.

This Modification will be effective as of the last date signed below

Barclay Cuthbert BARCLAY CUTHBERT  
Authorized Officer Signature Printed

VICE PRESIDENT, OPERATIONS 29 MARCH 2012  
Title Date

John R. Baza  
Division Director  
Utah Division of Oil, Gas and Mining

April 26, 2012  
Date





M/047/0090  
cc: 5/019/0059

RECEIVED  
JUL 28 2015  
DIV. OF OIL, GAS & MINING

July 22, 2015

April Abate  
State of Utah  
Dept. of Natural Resources, Division of Oil, Gas and Mining  
1594 West North Temple, Suite 1210  
P.O. Box 145801  
Salt Lake City, UT 84114-5801

Re: 1<sup>st</sup> year bonding of LMO (M0470090) and Large Mine Reclamation Contract

Dear Ms. Abate:

U.S. Oil Sands, (Utah) Inc., hereby requests to submit a reclamation surety totaling \$376,000.00 through end of year one mining operations. We are desirous for the Division to apply the currently held certificate of deposit ( ) for \$293,000.00 to the year one surety. We are also submitting a MR-Site/Bond Release Form to apply currently held certificate of deposit and cash totalling \$68,218.00 for the Leonard Murphy #1 Mine (S019059), as this area will now become part of our LMO – PR Springs Mine (M0470090). For the remaining balance of \$14,782.00 we are also submitting an MR-CD Form for a certificate of deposit held at Zions Bank.

Also enclosed is the Large Mine Reclamation Contract Form MR-RC (LMO).

Should you have any questions about this request, please contact me at 801-231-3114 or [doug.thornton@usoilsandsinc.com](mailto:doug.thornton@usoilsandsinc.com)

Sincerely,

Doug Thornton,  
HSE & Regulatory Manager

Enclosures





30190059  
Task ID#6767  
CC: Mike  
APRIL

## Application for Bond Release

Operator/Permittee: U.S. Oil Sands, (Utah) Inc.	
Mine/Project Name:  Leonard Murphy No. 1 Mine	Permit ID#: S/019/059
	Permitted Acres: 8.97
Reason for Bond Release: This bond is to be released and applied to LMO (M0470090) PR Spring Mine as these acres are/will be consumed by the LMO.	
Amount of Existing Surety: \$ 68,218.00	
Amount of Surety requested for release: \$ 68,218.00	
Partial Release of a <u>portion</u> * of the mine site:  Acres Regraded:  Specify Area:	Partial Release of <u>entire</u> mine site: (Backfilling and grading are completed)  Acres:
Full Release of a <u>portion</u> * of the mine site:  Acres to be released:  Specify Area:	Full Release of <u>entire</u> mine site: (Vegetation is established and has survived three growing seasons.)  Acres to be released: 8.97
<b>*For a bond release on a portion of the mine site, submit an updated map removing the released area from the disturbed or bonded area.</b>	

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JUL 28 2015

-1-

o:\forms\bonding forms\bond-release\mr-site rev2014.doc

DIV. OF OIL, GAS & MINING





## Application for Bond Release

Reclamation practices must be completed in accordance with R647-2-109, or R647-3-109, or R647-4-111 as applicable.

Have any shafts and tunnels been permanently sealed?	N/A	Yes <input type="checkbox"/> No <input type="checkbox"/>
Disposal of debris & other materials incident to mining	N/A	Yes <input type="checkbox"/> No <input type="checkbox"/>
Public safety notifications such as posted signs or fences/barriers above high walls	N/A	Yes <input type="checkbox"/> No <input type="checkbox"/>
Drainages, reestablished & stable	N/A	Yes <input type="checkbox"/> No <input type="checkbox"/>
Structures demolished and deleterious materials disposed of	N/A	Yes <input type="checkbox"/> No <input type="checkbox"/>
Erosion Controlled	Interim control until part of LMO	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Slopes, waste piles, fills regraded	N/A	Yes <input type="checkbox"/> No <input type="checkbox"/>
Highwalls stabilized to an angle of 45° or less	N/A	Yes <input type="checkbox"/> No <input type="checkbox"/>
Meets Post mining Land Use (Indicate Land use)	N/A	Yes <input type="checkbox"/> No <input type="checkbox"/>
Roads and/or pads have been reclaimed	N/A	Yes <input type="checkbox"/> No <input type="checkbox"/>
Dams, Impoundments, Ditches, Pits reclaimed	N/A	Yes <input type="checkbox"/> No <input type="checkbox"/>
Topsoil redistributed – amendments added	N/A	Yes <input type="checkbox"/> No <input type="checkbox"/>
Vegetation meets 70% of the pre-mining cover?	N/A	Yes <input type="checkbox"/> No <input type="checkbox"/>
<p><i>Note: For Final Bond Release vegetation must meet 70% of premining cover and has survived three years for or has survived one year growing season to maintain small mine status.</i></p>		
Plugging of boreholes	N/A	Yes <input type="checkbox"/> No <input type="checkbox"/>
<p><b>If Answer is Yes, please fill out page 3 of this form</b></p>		
<p><b>DESCRIPTION of RECLAMATION ACTIVITIES COMPLETED</b> (Describe any variance(s) that have been granted, date activity completed)</p> <p>Interim erosion control until consumed by LMO</p>		





*I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments and obligations, herein.*

Print Name \_\_\_\_\_

Phone No.

Sign Name, Position

Date \_\_\_\_\_

Division of Oil, Gas and Mining  
1594 West North Temple, Suite 1210  
Box 145801  
Salt Lake City, Utah 84114-5801  
Phone: (801) 538-5291

**FOR DOGM USE ONLY:**

File #: M/ /

Approved: \_\_\_\_\_

Bond Adjustment: from (\$) \_\_\_\_\_  
to \$ \_\_\_\_\_



Leonard Murphy No. 1 Mine 5/019/059



Leonard Murphy No. 1 Mine  
5/019/059

US Oil Sands Inc.  
Wirtgen Surface Miner Test Pit Design

Scale: 1" ~ 400 ft.

Rev. 2.0

Design: TJW

Date: Oct 7/11



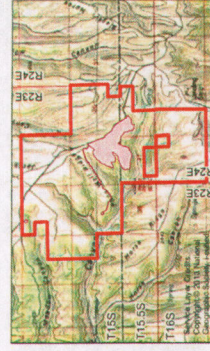
- Legend**
- Disturbance Limit Boundary
  - County Line
  - Gas Lines
  - Roads
  - Topo Contours (2 meters)
  - Pit Boundary
  - Plant
  - Topsoil Stockpile
  - Well and Well Access Road
  - Active Mining Pit
  - Haul Road
  - Backfill Contours (2 meters)

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JUL 28 2015

DIV OF OIL, GAS & MINING

0 600 1,200 Feet  
1:7,200 (at original document size of 11x17)

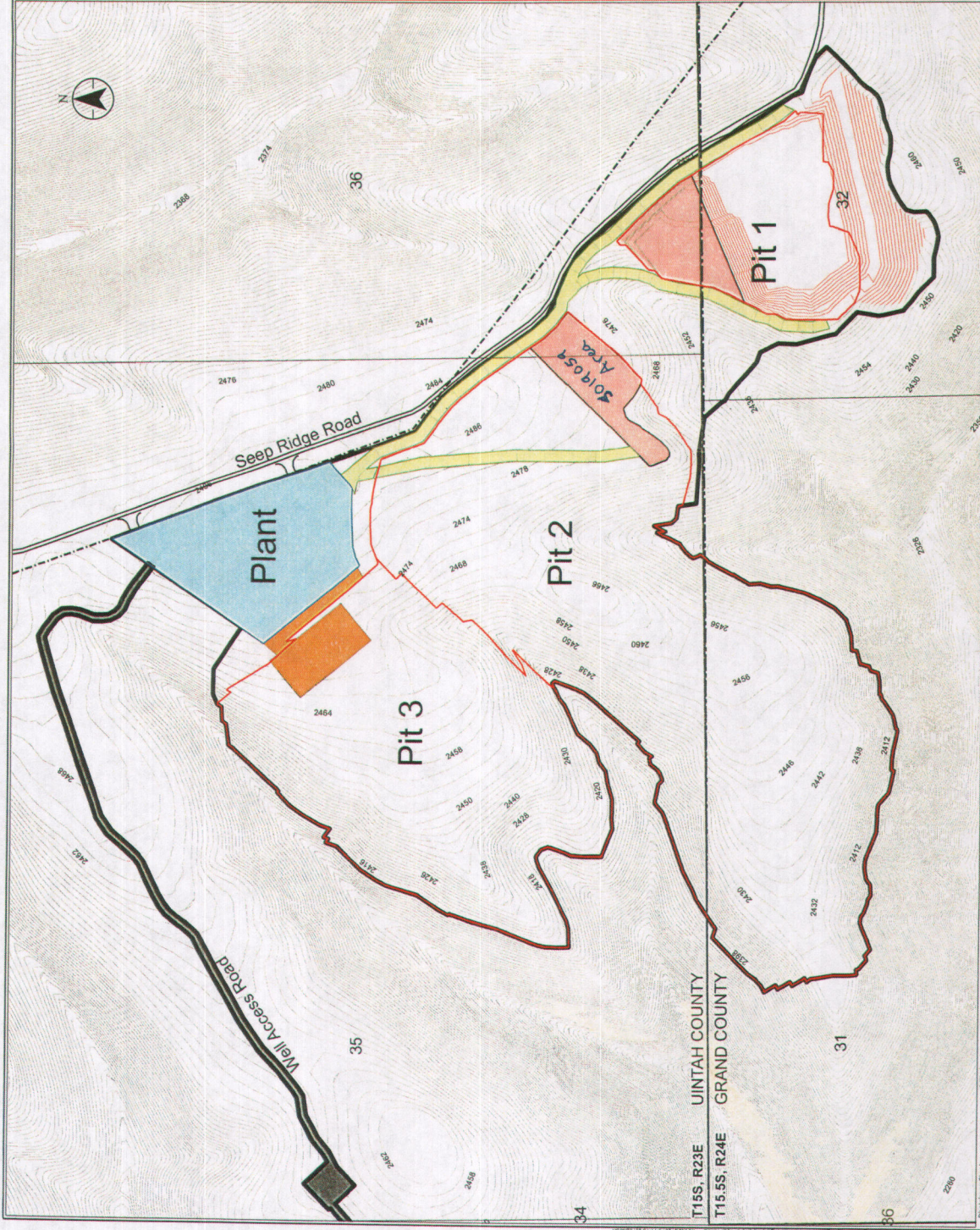
- Notes**
1. Coordinate System: NAD 1983 UTM Zone 12N
  2. Modified from Howett Corporation, Quarter 4 Year 1, 08/04/2014, TUSO06040384-6



**Project Location**  
T15S, R23E, and T15S, R24E  
Portions of T15S, R24E  
Grand County and Grand Co., UT  
Prepared by: CIP on 2014-05-07  
Technical Review by: RS on 2014-10-10  
Independent Review by: RS on 2014-10-10

**U.S. Oil Sands (Utah) Inc.**  
PR Spring Mine

**Figure No.**  
**4a**  
**End of Year 1**  
**DRAFT**



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GARY R. HERBERT  
Governor

SPENCER J. COX  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

September 2, 2015

Zions Bank  
One South Main Street  
Salt Lake City, Utah 84133

Subject: Change of Letter Agreement for Reclamation Surety, Certificate of Deposit 0029209426, US Oil Sands (Utah), Inc., Leonard Murphy Mine, S/19/0059, Grand County, Utah

Dear Sir or Madame:

Zions Bank is presently holding certificate of deposit (CD) [redacted] for the benefit of the State of Utah, Division of Oil, Gas and Mining (Division), as a form of reclamation surety for US Oil Sands (Utah), Inc., Leonard Murphy mine, permit number S/019/0059. This mine is incorporated into the disturbed area for the PR Spring mine (permit number M/047/0090), so the Division is retiring the file for the Leonard Murphy mine.

US Oil Sands (Utah) has requested that the Division apply the funds in the CD toward the reclamation surety for the PR Spring mine. To this end, the Division is submitting a revised CD letter agreement with a new permit number. The Division will ask that a representative of US Oil Sands (Utah) sign this agreement and that a representative from Zions Bank do likewise. Please then forward the original of this agreement back to the Division for final signature.

Please call Penny Berry at 801-538-5291 or me at 801-538-5261 if you have questions or concerns about this process. Thank you for your help in this matter.

Sincerely,

Paul B. Baker  
Minerals Program Manager

emailed this to  
John Seaman w/  
Zions Bank.  
No Hard copy needed  
Per John Seaman

JRB:aa:pb

cc: Doug Thornton, US Oil Sands (Utah), Inc.




Jerry Mansfield, SITLA [jmansfield@utah.gov](mailto:jmansfield@utah.gov) (SITLA)

p:\groups\minerals\wp\m019-grand\s0190059-leonardmurphy\final\cdrel-6767-08142015.doc





# ZIONS BANK

[Reply](#) [Reply All](#) [Forward](#)[Help](#) [Logout](#)**From:** Jeremy.Tapia@zionsbank.com**Sent:** 9/28/2015 11:57:02 AM**To:** pennyberry@utah.gov**Cc:** John.Seaman@zionsbank.com**Subject:** Old Emails for US Oil Sands Digital Signature is VALID**Attachments:**  [image001.png](#);  [1663\\_001.tif](#)

Penny,

This is what I understand from the attached email,

CD [REDACTED], with \$243,130 was supposed to have \$31,880 released to a new CD for Leonard Murphy mine (what we thought was [REDACTED], but never was completed) in 2008. The transfer of the \$31,880 never took place, so the funds are still in the CD ending in 9301. Now we are wanting the funds that were supposed to be in CD ending in 9426 (\$31,880) for Leonard Murphy mine to be released to CD [REDACTED] (with a current balance of \$14,782). With the transfer of \$31,880, it will bring CD ending in 2558 to a balance of \$46,662 and the CD ending in 9301 to a balance of \$211,250. Right?

I hope that makes sense!

So if this is all correct, I just need a new CD agreement showing CD [REDACTED] instead of CD ending in [REDACTED] which is currently showing.

**Jeremy Tapia**

Personal Banker

Head Office Financial Center

Direct 801.844.7078

---

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## Charlotte Hager

---

**From:** Barclay Cuthbert [Barclay.Cuthbert@usoilsandsinc.com]  
**Sent:** Tuesday, November 08, 2011 7:51 AM  
**To:** Charlotte Hager; John Seaman  
**Subject:** RE: PR Springs 2 Partial Release

Good morning Charlotte,

Thanks for your message yesterday. Yes, this CD will also be under US Oil Sands (Utah) Inc. The Utah Division of Oil, Gas, and Mining approved the release of \$31,880.00 from our existing CD number [REDACTED] in the amount of \$243,130.00 – I would like to re-issue this certificate in the amount of \$211,250.00 and issue a new CD with the released proceeds. Please let me know if this arrangement will not work.

Regards,

Barclay

Best regards,  
US Oil Sands Inc.

Barclay Cuthbert  
Vice President, Operations  
Tel: + 1.403.233.9366  
Cell: + 1.403.619.4230  
Fax: + 1.403.290-0045  
E-mail: [barclay.cuthbert@usoilsandsinc.com](mailto:barclay.cuthbert@usoilsandsinc.com)  
Suite # 950, 633 - 6 Avenue SW  
Calgary, Alberta T2P 2Y5

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---

**From:** Charlotte Hager [mailto:Charlotte.Hager@zionsbank.com]  
**Sent:** November-07-11 3:28 PM  
**To:** John Seaman; Barclay Cuthbert  
**Subject:** RE: PR Springs 2 Partial Release

Hello Barclay

Would this account be under US Oil Sands Utah Inc., like the other CD's?

This will take a couple of days to get approved for being a control account. Once we have it approved then it will need to be funded.

11/8/2011



**Charlotte Hager**

---

**From:** John Seaman  
**Sent:** Monday, November 07, 2011 11:39 AM  
**To:** Charlotte Hager  
**Subject:** FW: PR Springs 2 Partial Release  
**Attachments:** 10252011.pdf

CH,

Here is the info you will need...besides visiting with me.

JS

---

**From:** Barclay Cuthbert [mailto:Barclay.Cuthbert@usoilsandsinc.com]  
**Sent:** Monday, November 07, 2011 11:06 AM  
**To:** John Seaman  
**Subject:** FW: PR Springs 2 Partial Release

Dear John:

I sent a message to Bing Allen this morning to set up a new certificate of deposit for surety required for an amendment to a small mine permit for which we have applied with the Utah Division of Oil, Gas, and Mining. I received an auto reply that Ms. Allen has since left Zions Bank. Please forward this message to the individual who is now in place to handle such matters.

If anything else is required, please feel free to call. I am out of the office today, but available on my mobile telephone.

Best regards,

Barclay

Best regards,  
US Oil Sands Inc.

Barclay Cuthbert  
Vice President, Operations  
Tel: + 1.403.233.9366  
Cell: + 1.403.619.4230  
Fax: + 1.403.290-0045  
E-mail: [barclay.cuthbert@usoilsandsinc.com](mailto:barclay.cuthbert@usoilsandsinc.com)  
Suite # 950, 633 - 6 Avenue SW  
Calgary, Alberta T2P 2Y5

\*\*\*\*\* IMPORTANT NOTICE \*\*\*\*\*

11/7/2011



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**From:** Barclay Cuthbert  
**Sent:** November-07-11 11:02 AM  
**To:** Bing Allen (bing.allen@zionsbank.com)  
**Cc:** Glen Snarr (glen.snarr@usoilsandsinc.com); Celia Li  
**Subject:** FW: PR Springs 2 Partial Release

Dear Bing,

We received a copy of a letter from John Baza to Zions Bank which approves the partial release of funds from a certificate of deposit we established as surety for an exploration project with the Utah Division of Oil, Gas & Mining earlier this year. We wish to use these funds (\$31,880.00) to set up a new certificate of deposit to provide surety for an amendment to a small mining permit (S/019/059). Please proceed with establishing this new permit at your earliest opportunity and feel free to contact me if any additional information is required.

For reference, the original certificate of deposit number is [REDACTED] for an amount of \$243,130.00

Thanks for your assistance.

Regards,

Barclay

Best regards,  
US Oil Sands Inc.

Barclay Cuthbert  
Vice President, Operations  
Tel: + 1.403.233.9366  
Cell: + 1.403.619.4230  
Fax: + 1.403.290-0045  
E-mail: [barclay.cuthbert@usoilsandsinc.com](mailto:barclay.cuthbert@usoilsandsinc.com)  
Suite # 950, 633 - 6 Avenue SW  
Calgary, Alberta T2P 2Y5

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**From:** Emily Berry [<mailto:emilyberry@utah.gov>]  
**Sent:** November-03-11 12:16 PM

11/7/2011



**To:** Barclay Cuthbert; William Stokes  
**Subject:** PR Springs 2 Partial Release

Emily Berry  
Engineer Technician  
Division of Oil, Gas & Mining  
801-538-5308  
Monday-Thursday 7:00-4:30 Friday 9:00-1:00  
Office Hours M-F 8:00-5:00

801-538-5308

11/7/2011



STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MININGMODIFICATION OF ATTACHMENT A  
TO THE  
RECLAMATION CONTRACTName of Operator: US Oil Sands (Utah) Inc.Permit Number: S/019/0059Mine Name: Leonard Murphy No. 1Phone Number: S/019/0059

Per the executed reclamation contract, the surety agreement for reclamation obligation is included as Attachment A to the reclamation contract as follows:

*Check the boxes that apply to this form:*

Surety: ☐ Decrease  
☒ Increase  
☐ Replacement

Reason: ☐ Amendment to NOI  
☐ Cancellation/ Termination of surety  
☐ Escalation  
☐ Partial Release of surety  
☒ Other

Explain: The operator authorized the interest in their cash account to be used for the bond. Interest earned was \$4,238.00, giving the cash bond a new total of \$36,338.00. Operator also has a CD in the amount of \$31,880.00

Surety Dollar Amount Associated With This Action: \$4,238.00Surety Aggregate Amount: \$68,218.00**Included in this modification (surety must be attached)**

Instrument(s):

<input type="checkbox"/> Corporate Surety	<input type="checkbox"/> Rider
<input type="checkbox"/> LOC Letter of Credit	<input type="checkbox"/> Amendment
<input type="checkbox"/> CD Certificate of deposit	<input type="checkbox"/> Addendum
<input checked="" type="checkbox"/> Cash	<input type="checkbox"/> Other

Explain:

RECEIVED

APR 20 2012

DIV. OF OIL, GAS &amp; MINING

Other surety not affected by this modification will remain part of Attachment A and labeled as such.

This Modification will be effective as of the last date signed below

Barclay Cuthbert  
Authorized Officer Signature

BARCLAY CUTHBERT  
Printed

VICE PRESIDENT, OPERATIONS  
Title

29 MARCH 2012  
Date

John R. Baza  
Division Director  
Utah Division of Oil, Gas and Mining

April 26, 2012  
Date



Other Agency File Number:

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION of OIL, GAS and MINING  
1594 West North Temple, Suite 1210  
Box 145801  
Salt Lake City, Utah 84114-5801  
(801) 538-5291  
Fax: (801) 359-3940

RECEIVED  
DEC 08 2011  
DIV. OF OIL, GAS & MINING

---ooOoo---

### SMALL MINE RECLAMATION CONTRACT

This Reclamation Contract (hereinafter referred to as "Contract") is entered into between US Oil Sands (Utah) Inc. the "Operator" and the Utah State Division of Oil, Gas and Mining ("Division").

WHEREAS, Operator desires to conduct mining operations under Notice of Intention (NOI) File No. S/019/0059 which the Operator has filed with the Division and has been determined by the Division to be complete (Complete NOI) as required by the Utah Mined Land Reclamation Act, Sections 40-8-1 et seq., Utah Code Annotated, (2005, as amended) (hereinafter referred to as "Act") and the regulations adopted pursuant to the Act; and

WHEREAS, Operator is obligated to reclaim the lands affected by the mining operations in accordance with the Act and the regulations, and is obligated to provide a surety in a form and amount approved by the Division or the Board of Oil, Gas and Mining (Board) to assure reclamation of the lands affected by the mining operations.

NOW, THEREFORE, the Division and the Operator agree as follows:

1. Operator agrees to promptly reclaim in accordance with the requirements of the Act and applicable regulations, as they may be amended, all of the lands affected by the mining operations conducted or to be conducted pursuant to a Complete Notice of Intention.
2. The Lands Affected by the mining operations and subject to the requirements of the Act and this Contract include:
  - A. All surface and subsurface areas affected or to be affected by the mining operations including but not limited to private on-site ways, roads, railroads; land excavations; drill sites and workings; refuse banks or spoil piles; evaporation or settling



ponds; stockpiles; leaching dumps; placer areas; tailings ponds or dumps; work, parking, storage, and waste discharge areas, structures, and facilities; and

- B. All mining disturbances regardless of discrepancies in the map and legal description, unless explicitly and clearly identified as EXCLUDED on maps, and legal descriptions included in the Complete NOI; provided lands may be excluded only if: (1) they were disturbed by mining operations that ceased prior to July 1, 1977; (2) the lands would be included but have been reclaimed in accordance with a complete notice or reclamation plan; or (3) the lands were disturbed by a prior operation for which there is no surety, no legally responsible entity or person, and which lands are not necessarily or incidentally intended to be affected by the mining operations as described in the Complete NOI.
- 3. The Operator shall be responsible for reclamation of all such Lands Affected regardless of errors or discrepancies in the maps or legal descriptions provided with the NOI which are intended to assist in determining the location of the mining operations, to describe the areas of disturbance, and to assist estimating the amount of surety required.
  - 4. The Operator prior to commencement of any mining operations and as a precondition to the rights under the Notice of Intention shall provide a surety in a form permitted by the Act and in an amount sufficient to assure that reclamation of the Lands Affected will be completed as required by the Act. The Surety shall remain in full force and effect according to its terms unless modified by the Division in writing. A copy of the agreement providing for the Surety for the reclamation obligations herein is included as **ATTACHMENT A** to this Contract.
  - 5. If the Surety expressly provides for cancellation or termination for non-renewal:
    - A. The Operator shall within 60 days following the Division's receipt of notice that the Surety will be terminated or cancelled, provide a replacement Surety sufficient in a form and amount, as required by the Act, to replace the cancelled surety; or
    - B. If the Operator fails to provide an acceptable replacement Surety within 60 days of notice of cancellation or termination, the Division may order the Operator to cease further mining activities, and without further notice proceed to draw upon letters of credit, to withdraw any amounts in certificates of deposit or cash and/or any other forms of surety, and to otherwise take such action as may be necessary to secure the rights of the Division to perfect its claim on the existing surety for the purpose of fully satisfying all of the reclamation



obligations incurred by the Operator prior to the date of termination, and the Division may thereafter require the Operator to begin immediate reclamation of the Lands Affected by the mining operations, and may, if necessary, proceed to take such further actions as may be required for the Division to forfeit the surety for the purpose of reclaiming the Lands Affected.

6. The Operator's liability under this Contract shall continue in full force and effect until the Division finds that the Operator has reclaimed the Lands Affected by mining operations in accordance with the Act and regulations, as amended. If the mining operations are modified or for any other reason vary from those described in the Complete Notice of Intention, the Operator shall immediately advise the Division, and the Notice of Intention shall be revised and the Surety amount shall be adjusted as necessary.
7. If reclamation of a substantial phase or segment of the Lands Affected by the mining operations is completed to the satisfaction of the Division, and the Division finds that such substantial phases or segments are severable from the remainder of the mining area, Operator may request the Division to find that Operator has reclaimed such area. If the Division makes such finding, Operator may make request to the Division for a reduction in the aggregate face amount of the Surety, and the Division may reduce the surety to an amount necessary to complete reclamation of the remaining mining operations as anticipated by the Complete Notice of Intention in accordance with the requirements of the Act and regulations, as amended.
8. Operator may, at any time, submit a request to the Division to substitute surety. The Division may approve such substitution if the substitute surety meets the requirements of the Act and the applicable rules.
9. Operator agrees to pay all legally determined public liability and property damage claims resulting from mining operations, to pay all permit fees, to maintain suitable records, to file all required reports, to permit reasonable inspections, and to fulfill all sundry reporting requirements applicable to the mine as required by the Act and implementing rules.
10. Operator agrees to indemnify and hold harmless the State, Board, and the Division from any claim, demand, liability, cost, charge, suit, or obligation of whatsoever nature arising from the failure of Operator or Operator's agents and employees, or contractors to comply with this Contract.
11. If Operator shall default in the performance of its obligations hereunder, Operator shall be liable for all damages resulting from the breach hereof including all costs, expenses, and reasonable attorney's fees incurred by the Division and/or the Board in the enforcement of this Contract.



12. Any breach of a material provision of this Contract by Operator may, at the discretion of the Division, in addition to other remedies available to it, result in an order by the Division requiring the Operator to cease mining operations, and may thereafter result in an Order, subject to an opportunity for notice and hearing before the Board, withdrawing and revoking the Notice of Intention, and requiring immediate reclamation by the Operator of the Lands Affected or forfeiture of the Surety.
13. In the event of forfeiture of the Surety, Operator shall be liable for any additional costs in excess of the surety amount that is required to comply with this Contract. Upon completion of the reclamation of all of the Lands Affected, any excess monies resulting from forfeiture of the Surety shall be returned to the rightful claimant.
14. The Operator shall notify the Division immediately of any changes in the Operator's registered agent, the Operator's address, form of business, name of business, significant changes in ownership, and other pertinent changes in the information required as part of the Notice of Intention. Notwithstanding this requirement, any changes to the Notice of Intention, and any errors, omissions, or failures to fully or accurately complete or update the information on the Notice of Intention, or the attached maps, shall not affect the validity of this Contract and the rights of the Division to enforce its terms.
15. If requested by the Division, the Operator shall execute addendums to this Contract to add or substitute parties, or to reflect changes in the Operator, Surety, and otherwise modify the Contract to reflect changes in the mining operations as requested by the Division. All modifications must be in writing and signed by the parties, and no verbal agreements, or modifications in any of the terms or conditions shall be enforceable.
16. This Contract shall be governed and construed in accordance with the laws of the State of Utah.



The signatory below represents that the Operator, if not a natural person, is a properly organized entity in good standing under the laws of Utah and the United States, is registered as an entity authorized to do business in the State of Utah, and that he/she is authorized to execute this Contract on behalf of the entity as Operator.

OPERATOR:

US OIL SANDS (UTAH) INC.  
Operator Name

By BARCLAY CUTHBERT  
Authorized Officer (Typed or Printed)  
VICE PRESIDENT OPERATIONS  
Authorized Officer - Position

Barclay Cuthbert 30 November 2011  
Officer's Signature Date

Province  
STATE OF Alberta )  
Country ) ss:  
COUNTY OF Canada )

On the 30 day of November, 20 11, Barclay Cuthbert  
personally appeared before me, who being by me duly sworn did say that  
he/she is an officer (owner, officer, director, partner, agent  
or other (specify)) of the Operator US Oil Sands (Utah) Inc. and duly  
acknowledged that said instrument was signed on behalf of said Operator by  
authority of its bylaws, a resolution of its board of directors or as may otherwise  
be required to execute the same with full authority and to be bound hereby.

[Signature]  
Notary Public  
Residing at Calgary, Alberta Canada

My Commission Expires: does not expire  
**LLOYD McLELLAN**  
BARRISTER AND SOLICITOR



DIVISION OF OIL, GAS AND MINING:

By

Dana Dean, P.E., Associate Director

Date

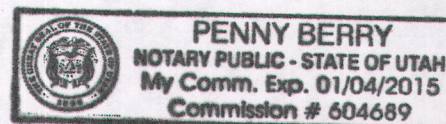
December 19, 2011

STATE OF Utah )  
COUNTY OF Salt Lake ) ss:

On the 19<sup>th</sup> day of December, 2011, Dana Dean  
personally appeared before me, who being duly sworn did say that she, the said  
Dana Dean is the Associate Director of the Division of Oil, Gas  
and Mining, Department of Natural Resources, State of Utah, and she duly acknowl-  
edged to me that she executed the foregoing document by authority of law on behalf of  
the State of Utah.

Penny Berry  
Notary Public  
Residing at: Salt Lake

1/4/2015  
My Commission Expires:





## FACT SHEET

Commodity: BITUMINOUS/ASPHALTIC SANDS

Mine Name: LEONARD MURPHY #1

Permit Number: 5/019/0059

County: UINTAH

Disturbed Acres: < 10 ACRES

Operator Name: US OIL SANDS (UTAH) INC.

Operator address: SUITE 950, 633-6TH AVENUE SW, CALGARY, ALBERTA  
CANADA T2P 2Y5

Operator telephone: (403) 233-9366

Operator fax: (403) 290-0045

Operator email: barclay.cuthbert@usoilsandsinc.com

Contact: BARCLAY CUTHBERT

Surety Type: CASH/CERTIFICATE OF DEPOSIT

Held by (Bank/BLM): UTAH STATE TREASURER/ZIONS BANK

Surety Amount: \$32,100.00 / \$31,880.00

Surety Account Number: [REDACTED]

Escalation Year: [REDACTED]

Tax ID or Social Security (for cash only): [REDACTED]

Surface owner: SITLA

Mineral owner: SITLA

UTU and/or ML number: ML 49927-08A

\*\*\*DOGM Contact: Penny Berry, State of Utah, Division of Oil Gas and Mining, 801 538 5291 or  
bondcoordinator@utah.gov





JON M. HUNTSMAN, JR.  
Governor

GARY R. HERBERT  
Lieutenant Governor

**State of Utah**  
**DEPARTMENT OF NATURAL RESOURCES**  
**Division of Oil, Gas & Mining**

MICHAEL R. STYLER  
Executive Director

JOHN R. BAZA  
Division Director

**Addendum #1 to Reclamation Contract**

September 25, 2006

**Earth Energy Resources, Inc., Leonard Murphy #1, S/019/059**

Barclay Cuthbert, Vice President  
Earth Energy Resources, Inc.  
Suite 740, 404 – 6<sup>th</sup> Avenue SW  
Calgary, Alberta, CANADA T2P 0R9

Earth Energy Resources, Inc. has notified the Division of recent changes to specific reclamation contract terms, which are identified below.

This letter serves as an acknowledgment and approval of the following revisions to the Reclamation Contract:

- **COMPANY ADDRESS:** Suite 740, 404 – 6<sup>th</sup> Avenue SW, Calgary, Alberta, Canada T2P 0R9, telephone: (403) 233-9366, email: Cuthbert@earthenergyresources.com;
- **OPERATOR'S OFFICER AND TITLE:** Barclay Cuthbert, Vice President;
- **OPERATOR'S REGISTERED AGENT:** Daniel A. Jensen, 185 South State St. Ste. 1300, Salt Lake City, Utah 84111;
- **SURETY COMPANY AND ACCOUNT NUMBER:** Zions Bank, 8911920;
- **NOTICE OF INTENTION RECEIVED DATE:** May 23, 2005 will replace August 23, 2005

Nothing herein contained shall vary, alter, or extend any other provision or condition of the Reclamation Contract.

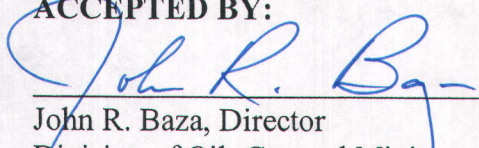
To the extent any conflict exists between this letter addendum and the Reclamation Contract and prior addenda, these terms shall control.

Please acknowledge with your signature, make a copy for your records, and return this letter with original signatures to the Division.

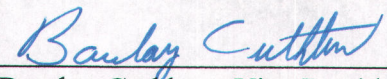


The below signed, acknowledge and accept these revisions and incorporate them into the September 23, 2005 Reclamation Contract.

**ACCEPTED BY:**

  
\_\_\_\_\_  
John R. Baza, Director  
Division of Oil, Gas and Mining

9/27/2006  
Date

  
\_\_\_\_\_  
Barclay Cuthbert, Vice President  
Earth Energy Resources, Inc.

12 OCTOBER 2006  
Date



**STATE OF UTAH**  
**DEPARTMENT OF NATURAL RESOURCES**  
**DIVISION of OIL, GAS and MINING**  
1594 West North Temple Suite 1210  
Box 145801  
Salt Lake City, Utah 84114-5801  
(801) 538-5291  
Fax: (801) 359-3940

**RECLAMATION CONTRACT**

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**RECEIVED**

**AUG 30 2005**

**DIV. OF OIL, GAS & MINING**

For the purpose of this RECLAMATION CONTRACT the terms below are defined as follows:

"NOTICE OF INTENTION" (NOI): (File No.)  
(Mineral Mined)

S/019/059  
Oil Sands

"MINE LOCATION":

(Name of Mine)  
(Description)

Leonard Murphy # 1  
52 miles Southeast of Ouray on the Seep  
Ridge Road, just North of the Uintah  
County, Grand County Line

"DISTURBED AREA":

(Disturbed Acres)  
(Description)

Five  
(Refer to Attachment A)

"OPERATOR":

(Company or Name)  
(Address)

Earth Energy Resources, Inc  
One Beechwood Drive  
Oakland, CA 94618

(Phone)

(510) 595-4151



"OPERATOR'S REGISTERED AGENT":

Name)

(Address)

(Phone)

Linda M. Zimmermann  
170 North Main, Suite 900  
Salt Lake City, Utah 84101  
(801) 933-8933

"OPERATOR'S OFFICER(S)" & TITLE:

David L. Brough  
Chief Executive Officer

SURETY":

(Form of Surety - Attachment B)

Cash

"SURETY COMPANY":

(Name, Policy or Acct. No.)

Not Applicable

"SURETY AMOUNT":

(Escalated Dollars)

USD \$32,100

"ESCALATION YEAR":

2008

"STATE":

"DIVISION":

"BOARD":

State of Utah

Division of Oil, Gas and Mining

Board of Oil, Gas and Mining

ATTACHMENTS:

A "DISTURBED AREA":

B "SURETY":

This Reclamation Contract (hereinafter referred to as "Contract") is entered into between Earth Energy Resources, Inc., the "Operator" and the Utah State Division of Oil, Gas and Mining ("Division").

WHEREAS, Operator desires to conduct mining operations under Notice of Intention (NOI) File No. S/019/059 which has been approved/accepted by the Utah State Division of Oil, Gas and Mining under the Utah Mined Land Reclamation Act, Sections 40-8-1 et seq., Utah Code Annotated, (1953, as amended) (hereinafter referred to as "Act") and implementing rules; and

WHEREAS, Operator is obligated to reclaim that area described as the Disturbed Area as set forth and in accordance with Operator's approved/accepted Reclamation Plan or Notice, and Operator is obligated to provide surety in form and amount approved by the Division, to assure reclamation of the Disturbed Area.

NOW, THEREFORE, the Division and the Operator agree as follows:



1. Operator agrees to conduct reclamation of the Disturbed Area in accordance with the Act and implementing regulations, the Reclamation Plan and/or Notice of Intention received by the Division on August 23, 2005. The Reclamation Plan and/or Notice of Intention, as amended, are incorporated by this reference and made a part hereof.
2. Concurrent with the execution hereof, Operator has provided surety to assure that reclamation is conducted, in form and amount acceptable to the Division. Such surety as evidenced by the Surety Contract is in the form of the surety attached hereto as Attachment B and made a part hereof. The Surety Contract shall remain in full force and effect according to its terms unless modified by the Division in writing. If the Surety Contract expressly provides for cancellation, then, within 60 days following the Division's receipt of notice that the Surety Company intends to cancel the Surety Contract, the Operator shall provide a replacement Surety Contract in a form and amount reasonably acceptable to the Division. If the Operator fails to provide an acceptable replacement Surety Contract, the Division may order the Operator to cease further mining activities and to begin immediate reclamation of the Disturbed Area.
3. Operator agrees to pay legally determined public liability and property damage claims resulting from mining to the extent provided in Section 40-8-7(1)(e) of the Act.
4. Operator agrees to perform all duties and fulfill all reclamation requirements applicable to the mine as required by the Act and implementing rules, the Notice of Intention, as amended and the Reclamation Plan, as amended.
5. The Operator's liability under this Contract shall continue in full force and effect until the Division certifies that the Operator has reclaimed the Disturbed Area in accordance with the Act and implementing rules, the Notice of Intention, as amended and the Reclamation Plan, as amended.
6. If reclamation of discrete sections of the Disturbed Area is completed to the satisfaction of the Division, and the Division finds that such sections are severable from the remainder of the Disturbed Area, Operator may request the Division to certify that Operator has reclaimed such discrete sections of the Disturbed Area in accordance with the Act and Implementing rules, the Notice of Intention, as amended and the Reclamation Plan, as amended. If the Division makes such certification, Operator may make request to the Division that the aggregate face amount of the Surety Contract provided pursuant to paragraph 2 be



reduced to an amount necessary to provide for completion of the remaining reclamation. The Division shall hear Operator's request for such reduction in accordance with the Board's Procedural Rules concerning requests for Agency Action.

7. Operator agrees to indemnify and hold harmless the State, Board and the Division from any claim, demand, liability, cost, charge, suit, or obligation of whatsoever nature arising from the failure of Operator or Operator's agents and employees, or contractors to comply with this Contract.
8. Operator may, at any time, submit a request to the Division to substitute surety. The Division may approve such substitution if the substitute surety meets the requirements of the Act and the implementing rules.
9. This Contract shall be governed and construed in accordance with the laws of the State of Utah.
10. If Operator shall default in the performance of its obligations hereunder, Operator agrees to pay all costs and expenses, including reasonable attorney's fees and costs incurred by the Division and/or the Board in the enforcement of this Contract.
11. Any breach that the Division finds to be material of the provisions of this Contract by Operator may, at the discretion of the Division, result in an order to cease mining operations. After opportunity for notice and hearing, the Board of Oil, Gas and Mining may enter an order to revoke the Notice of Intention, order reclamation, or order forfeiture of the Surety Contract, or take such other action as is authorized by law.
12. In the event of forfeiture of the Surety Contract, Operator shall be liable for any additional costs in excess of the surety amount which are required to comply with this Contract. Any excess monies resulting from forfeiture of the Surety Contract, upon completion of reclamation and compliance with this Contract, shall be returned to the rightful claimant.
13. This Contract including the Notice of Intention, as amended and the Reclamation Plan, as amended, represents the entire agreement of the parties involved, and any modification must be approved in writing by the parties involved.
14. Each signatory below represents that he/she is authorized to execute this Contract on behalf of the named party.



OPERATOR:

Earth Energy Resources, Inc

Operator Name

By David L. Brough

Authorized Officer (Typed or Printed)

Chief Executive Officer

Authorized Officer - Position

Officer's Signature

Date

PROVINCE OF BRITISH COLUMBIA  
STATE OF  
COUNTY OF CANADA ) ss:

On the 26<sup>th</sup> day of August, 20 05, David L. Brough personally appeared before me, who being by me duly sworn did say that he/she is the CEO of 1 and duly acknowledged that said instrument was signed on behalf of said company by authority of its bylaws or a resolution of its board of directors and said David L. Brough duly acknowledged to me that said company executed the same.

Earth Energy Resources, Inc.

Notary Public  
Residing at Kelowna, British Columbia

My Commission Expires Continuous

A Notary Public in and for the  
Province of British Columbia

ROBERT O. LEVIN  
Barrister & Solicitor  
607 1708 Dolphin Avenue  
Kelowna British Columbia V1Y 9S4  
Tel (250) 868-2101



DIVISION OF OIL, GAS AND MINING:

By John R. Baza  
John R. Baza, Director

Date 9/23/05

STATE OF Utah )  
COUNTY OF Salt Lake ) ss:

On the 23<sup>rd</sup> day of September, 2005, John R. Baza  
personally appeared before me, who being duly sworn did say that he, the said  
John R. Baza is the Director of the Division of Oil, Gas and Mining,  
Department of Natural Resources, State of Utah, and he duly acknowledged to me that  
he executed the foregoing document by authority of law on behalf of the State of Utah.



Joelle Burns  
Notary Public  
Residing at: S.L.C. UT

April 4, 2009  
My Commission Expires:



## ATTACHMENT "A"

Earth Energy Resources, Inc.

Leonard Murphy # 1

Operator

Mine Name

S/019/059

Permit Number

Uintah County, Utah

## LEGAL DESCRIPTION

Include 1/4, 1/4, 1/4 sections, townships, ranges and any other descriptions that will legally determine where disturbed lands are located. Attach a topographic map of suitable scale (max. 1 inch = 500 feet; 1 inch = 200 feet or larger scale is preferred) showing township, range and sections and a clear outline of the disturbed area boundaries tied to this Reclamation Contract and surety.

The detailed legal description of lands to be disturbed includes portions of the following lands not to exceed 5 acres under the approved / accepted permit and surety, as reflected on the attached map labeled P. R. Springs Leonard Murphy # 1 and dated August 26, 2005:

*D4B* PORTIONS OF I accept the changes *David L. B...*

The SE 1/4 of the SE 1/4 of Section 35 Township 15S Range 23E, AND

The SW 1/4 of the SW 1/4 of Section 36 Township 15S Range 23E

RECEIVED

SEP 01 2005

DIV. OF OIL, GAS &amp; MINING









GARY R. HERBERT  
Governor

GREGORY S. BELL  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

April 30, 2012

Barclay Cuthbert  
US Oil Sands (Utah) Inc.  
STE 950, 633-6<sup>th</sup> Avenue SW  
Calgary Alberta T2P 2Y5  
Canada

Subject: Copy of the Modification of Attachment A to the Reclamation Contract, US Oil Sands (Utah) Inc, Leonard Murphy No. 1, S/019/0059, Grand County, Utah

Dear Mr. Cuthbert:

On April 20, 2012 the Division received the signed Modification of Attachment A to the Reclamation Contract (MA-RC) from US Oil Sands (Utah), Inc. Our Associate Director signed the MA-RC on April 26, 2012. Enclosed is a copy for your records.

If you have any questions please call 801-538-5291 or email [bondcoordinator@utah.gov](mailto:bondcoordinator@utah.gov). Thank you.

Sincerely,

Penny Berry  
Bond Coordinator

PB







GARY R. HERBERT  
Governor

GREGORY S. BELL  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

November 23, 2011

Barclay Cuthbert  
US Oil Sands (Utah), Inc.  
Suite 950, 633 – 6<sup>th</sup> Avenue Southwest  
Calgary, Alberta T2P 2Y5  
Canada

Subject: Updated Reclamation Contract and Fact Sheet, US Oil Sands (Utah), Inc., Leonard Murphy #1, S/019/0059, Grand County, Utah

Dear Mr. Cuthbert:

On November 17, 2011 the Division received your CD number [REDACTED] in the amount of \$31,880.00. Your aggregate bond amount is \$63,980.00

Please sign the Reclamation Contract and complete the Fact Sheet.

Please return these original documents to the Division as soon as possible so that we can proceed with our process in completing this file. If you have any questions please call 801-538-5291 or email [bondcoordinator@utah.gov](mailto:bondcoordinator@utah.gov). Thank you for your attention in this matter.

Sincerely,

Penny Berry  
Bond Coordinator  
Minerals Program

PB

P:\GROUPS\MINERALS\WP\M019-Grand\S0190059-LeonardMurphy1\bond\LtrReqUpdatedMRRC.doc



EARTH ENERGY RESOURCES INC

FACSIMILE TRANSMITTAL SHEET

<b>To:</b> Beth Erickson	<b>From:</b> Kerry
<b>FAX NUMBER:</b> 801-359-3940	<b>Date:</b> August 30, 2005
<b>COMPANY:</b> State of Utah	<b>TOTAL NO. OF PAGES INCLUDING COVER:</b> 3
<b>PHONE NUMBER:</b>	<b>SENDER'S REFERENCE NUMBER:</b>
<b>Re:</b> Attachment "A"	<b>YOUR REFERENCE NUMBER:</b>

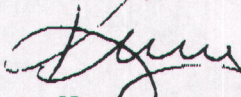
☐ URGENT    ☐ FOR REVIEW    ☐ PLEASE COMMENT    ☐ PLEASE REPLY    ☐ PLEASE RECYCLE

NOTES/COMMENTS:

Dear Beth,

I have attached the signed copy from David and I have sent off the original in a FedEx which you should receive by Thursday.

Sincerely,

  
Kerry

RECEIVED

AUG 31 2005

DIV. OF OIL, GAS & MINING

PHONE: 250-491-8275 • FAX: 250-491-8295



## ATTACHMENT "A"

Earth Energy Resources, Inc.

Leonard Murphy # 1

Operator

Mine Name

S/O19/059  
Permit Number

Uintah County, Utah

## LEGAL DESCRIPTION

Include 1/4, 1/4, 1/4 sections, townships, ranges and any other descriptions that will legally determine where disturbed lands are located. Attach a topographic map of suitable scale (max. 1 inch = 500 feet; 1 inch = 200 feet or larger scale is preferred) showing township, range and sections and a clear outline of the disturbed area boundaries used to this Reclamation Contract and surety.

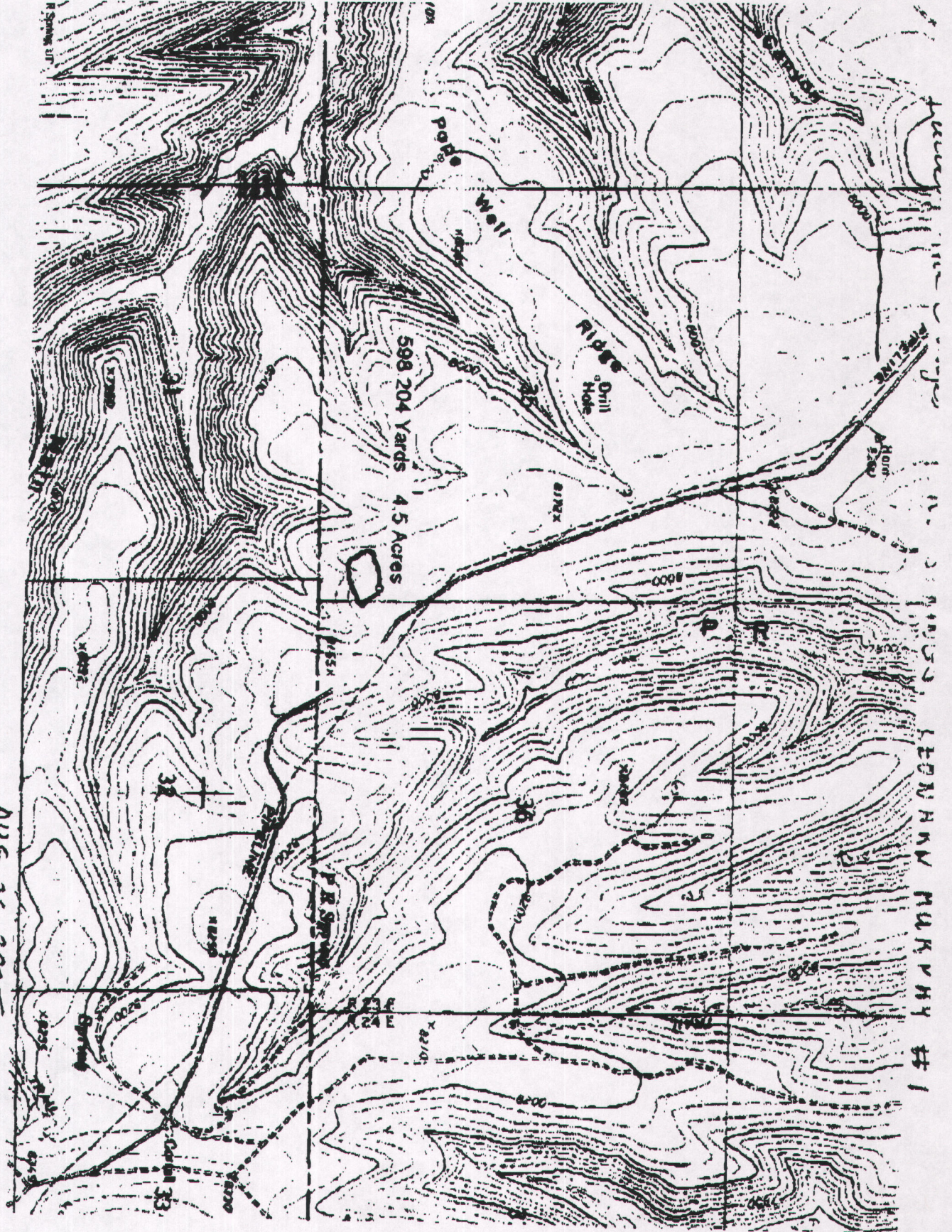
The detailed legal description of lands to be disturbed includes portions of the following lands not to exceed 5 acres under the approved / accepted permit and surety, as reflected on the attached map labeled P. R. Springs Leonard Murphy # 1 and dated August 26, 2005:

D4B PORTIONS OF I accept the changes David L. Bueh

The SE 1/4 of the SE 1/4 of Section 35 Township 15S Range 23E, A & B

The SW 1/4 of the SW 1/4 of Section 36 Township 15S Range 23E





AUG 26 2005



**From:** Beth Ericksen  
**To:** Susan White  
**Date:** 8/30/2005 2:42:36 PM  
**Subject:** cash \$32,100 Earth Energy

Hi-

I wanted to let you know that I have received the check from Montreal bank drawn in US funds for \$32,100 on behalf of Earth Energy Resources. This check has been submitted today, August 30, 2005 to Vicky Bailey to hold. She will put this check under lock and key until it is prepared for processing.

I will work through Rose tomorrow, August 31 since Vicky will not be in the office.

I have made a xerox copy.

Thank you  
Beth

**CC:** Paul Baker; Paula Dupin-Zahn; Rose Nolton; Vicki Bailey